



# **Explanatory Notes on the New Loan Provisions in the Regulations on the Status and Transfer of Players**

**November 2022**



## Introduction

This document aims to provide additional and appropriate guidance to FIFA member associations (MAs) and their stakeholders in relation to the recent amendments and additions to the Regulations on the Status and Transfer of Players (RSTP) concerning the loan of players in international football.

### 1. Definition of club-trained player<sup>1</sup>

#### A. Does a club-trained player have to be a professional player?

A player can be club-trained irrespective of their status as a football player (professional or amateur, as provided in article 2 of the RSTP), their nationality and age.

The important and central element of the definition is that between the ages of 15 (or the start of the season during which they turn 15) and 21 (or the end of the season during which they turn 21), the player is registered with their current club for a period of three entire seasons or 36 months, regardless of whether the period is continuous or not.

#### B. How is “continuous or not” defined for the purpose of determining whether a player is club-trained?

To qualify for the status of club-trained player, a player needs to be registered with the same club for a total of three entire seasons or 36 months between the age of 15 and 21, regardless of whether these three seasons or months were consecutive or not.

For example, Player A is registered with Club X from ages 15 to 16. They then leave Club X and return when they are 18 years old. So long as the player stays with the club until they are 20 (i.e. he is registered with his club for a total of 36 months), they will qualify as a club-trained player with Club X.

#### C. Can a player be a club-trained player with more than one club?

Since the definition covers a seven-year period, it is possible that a player could qualify as a club-trained player with more than one club. For example, Player A is registered with Club X from the ages of 15 to 18, and then with Club Y from the ages of 18 to 21. The player would qualify as a club-trained player for both Club X and Club Y.

#### D. Does a player have to be a member of a club’s “first team” to be considered a club-trained player?

The definition does not require the player to belong to a particular club team in order to be considered a club-trained player, as long as they have been registered with the club for three seasons or 36 months.

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<sup>1</sup> Addition to the “Definitions” section of the RSTP.

## 2. Scope of the new regulations<sup>2</sup>

### A. What is the scope of the new loan regulations? Do they apply only to international loans or also to domestic loans?

The new loan regulations apply only to international loans.

According to the RSTP, an international transfer consists in moving the registration of a player from one association to another.

For the sake of clarity, in accordance with the RSTP, only professional players may be loaned for a predetermined period by their former club to a new club.

In addition, loans are subject to the same rules that apply to the transfer of players. For the avoidance of doubt, and in accordance with the established jurisprudence, the provisions on training compensation and the solidarity mechanism are also applicable to loans.

### B. Since the new loan regulations will be applicable only to international transfers, does this mean that domestic loan regulations have not changed?

No, in accordance with article 1 paragraph 3 a) of the RSTP, the new loan regulations fall within the relevant provisions of the RSTP that are **binding at national level** and must be included without modification in the MAs' regulations.

However, in accordance with article 1 paragraph 3 b) of the RSTP, MAs will be given three years as from 1 July 2022 to implement rules on a domestic loan system that are in line with the principles of ensuring the integrity of competitions, developing young players and preventing the hoarding of players.

Nonetheless, and as explicitly stated in the RSTP, loan rules agreed at national level may set a different limitation on the number of loans (at domestic level) from those contained in article 10 of the RSTP, provided that these are consistent with the abovementioned principles.

It is important to highlight that the rules at national level need to be agreed with domestic stakeholders.

### C. Do the same loan regulations apply to women's and men's football?

Yes, the new loan rules are applicable to both men's and women's football.

However, the specific cap on the number of international loans will apply separately to the men's and women's teams.

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<sup>2</sup> Concerns the amendments to article 1 paragraph 3 a) and b) of the RSTP.

In other words, under these rules, a club is allowed to make eight international loans out from its men's team and eight international loans out from its women's team.

### 3. The new loan regulations<sup>3</sup>

#### A. What exactly do the terms “former club” and “new club” mean in the context of the new loan regulations?

In the context of the new loan regulations, the term “former club” refers to the club which is loaning out the player. The former club is also commonly known as: the club of origin, the parent club or the loan club.

In the context of the new loan regulations, the term “new club” refers to the club which is receiving the player on loan. The new club is also commonly known as: the club of destination or the loanee club.

#### B. What criteria does a club need to fulfill to ensure that a loan is valid?

The international loan of a player needs to comply with the rules provided in article 10 paragraph 1 of the RSTP and is subject to the administrative procedures regarding registration (article 5 of the RSTP), the International Transfer Certificate (article 9 of the RSTP), as well as Annexe 3 of the RSTP.

For the sake of clarity, these administrative procedures must be followed for a player's proper registration in the context of a loan. However, in line with article 18 paragraph 4 of the RSTP and the jurisprudence of the Football Tribunal, the validity of an (employment) contract may not be made subject to administrative formalities, including but not limited to the registration of a player.

#### C. What happens to the contract between the player and their former club when a player is loaned out? Do the obligations between the player and their former club continue to apply while the player is on loan?

The loan regulations explicitly state in article 10 paragraph 1 c) of the RSTP that, in principle, during the agreed duration of the loan, the contractual obligations between the professional and their former club must be suspended, unless otherwise agreed in writing between the relevant parties.

#### D. Are there any limits regarding how long a player can be on loan?

Yes, the new loan regulations establish a minimum and maximum duration in article 10 paragraph 1 d) of the RSTP as follows:

Minimum duration: the time between two registration periods

Maximum duration: one year

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<sup>3</sup> Concerns the amendments to article 10 of the RSTP.

In this regard, any clause referring to a longer loan period will not be recognised by FIFA.

In any case, the parties must ensure that the end date of a loan falls within one of the registration periods of the association of the former club.

#### **E. How many times can a loan of a player be extended?**

There is no limit in the regulations on how many times a loan of a player may be extended.

Accordingly, once a loan comes to an end, the loan may be extended. However, in accordance with article 10 paragraph 1 e) of the RSTP, the extension is subject to the player's written consent for it to be deemed valid. Furthermore, each extension must comply with the established minimum and maximum durations of a loan as described above.

#### **F. Is it possible for the new club to sub-loan a player?**

According to article 10 paragraph 1 f) of the RSTP, the new club may not sub-loan or permanently transfer a professional to a third club.

#### **G. When the loan is unilaterally terminated and the player decides to return to the former club earlier than expected, what does the former club have to do to "reintegrate them"?**

According to article 10 paragraph 4 of the RSTP, if the contract between the player and the new club has been unilaterally terminated before the end of the duration agreed in the loan contract, the following applies:

- 1) The player has the right to return to their former club. In order to do so, the player must inform the former club of the termination and whether they intend to return.
- 2) If the player decides to return to the former club and informs it accordingly, the former club will have to immediately reintegrate the professional.

In this regard, given that the regulations specify in article 10 paragraph 4 c) of the RSTP that the contract (which was suspended during the loan) will be reinstated as of the date of reintegration, the former club is expected to take the player back immediately and the player is expected to render sporting services for the former club.

Similarly, the former club must remunerate the player as of the date of reintegration.

It is important to highlight that, in accordance with article 10 paragraph 5:

- 1) The above will occur without prejudice to the operation of article 17 relating to the termination of the contract between the professional and the new club, or if the former club fails to reintegrate the professional immediately.
- 2) The reintegration of the player is without prejudice to the right of the former club to seek compensation resulting from its obligation to reintegrate the professional.

## H. Can the player be registered when the former club reintegrates them?

Regardless of whether the termination of the contract between the player and the new club was made with or without just cause, the registration of the player with the former club will be possible where: (i) the player's reintegration occurs, and (ii) the registration period is open in the former club's MA, provided that the relevant provisions regarding player registration are duly observed.

If the registration period is closed in the former club's MA, the player's registration with the former club would be, in principle, also possible where the professional has terminated the contract with the new club with just cause or the new club has terminated the contract without just cause. This is based on the last sentence of article 6 paragraph 1, whereby FIFA may take provisional measures to avoid abuse and authorise an MA to register the player outside of a registration period.

Thus, the player must demonstrate *prima facie* that they had just cause or that the club terminated their contract without just cause. As with all cases involving provisional measures, any decision made by FIFA to grant provisional measures has no bearing on any claim that may subsequently be lodged before the Football Tribunal or the competent national body.

In this context, even though it is possible, MAs will not be required to register a player outside of a registration period under these circumstances. In this respect, the respective rules governing registration at national level must be determined by the association in agreement with domestic football stakeholders in accordance with article 10 paragraph 4 d) of the RSTP.

Conversely, if the registration period is closed in the former club's MA, the player's registration with the former club would, in principle, NOT be possible where the professional has terminated their contract with the new club without just cause or if the new club has terminated their contract with just cause.

The following table illustrates the possible scenarios described above (subject to the *prima facie* case and the domestic registration regulations):

Registration period in the former club's MA	Termination of the contract between the player and the new club	Is the player's registration possible?
Open	With just cause by the player/without just cause by the club	Yes
	Without just cause by the player/with just cause by the club	Yes
Closed	With just cause by the player/without just cause by the club	Yes
	Without just cause by the player/with just cause by the club	No

**I. With the entry into force of the amended RSTP, is there now a cap on the number of international loans in and out? Will there be a transition period?**

One of the big changes resulting from the new regulations is that there will be a hard cap on the number of players a club can loan in and out at international level pursuant to article 10 paragraphs 6, 7, 8 and 9 of the RSTP.

To ensure its smooth implementation for all stakeholders, there will be a three-year **transition period**:

<b>From 1 July 2022 until 30 June 2023</b>	A maximum of <b>8</b> players loaned out	A maximum of <b>8</b> players loaned in
<b>From 1 July 2023 until 30 June 2024</b>	A maximum of <b>7</b> players loaned out	A maximum of <b>7</b> players loaned in
<b>From 1 July 2024</b>	A maximum of <b>6</b> players loaned out	A maximum of <b>6</b> players loaned in

It is important to mention that the cap on the number of international loans applies at any given time during a season.

In this sense, between 1 July 2022 and 30 June 2023, a club can loan **OUT** eight players during a registration period and then loan **OUT** another (different) set of eight players in the second registration period of the same season, provided there are never more than eight loans **OUT** at any time during the relevant season.

**J. Will there be any exceptions to the new cap on international loans a club may have, both in or out?**

In order to promote the development of youth players, article 10 paragraph 7 of the RSTP provides a specific exemption regarding this limit for a specific group of players.

The limit on the number of loans will thus not apply to players who are loaned prior to the end of the season of the former club in which they turn 21 **AND** provided that they are club-trained players with the former club. For the sake of clarity, the two conditions are cumulative.

Consequently, if a player meets the above-mentioned criteria, the loan of said player will not fall within the cap for either the former club or the new club.

**K. As from 1 July 2022, there will be a cap on the number of international loans out and in (eight loans in and eight loans out). What happens if, on 1 July 2022, Club X still has nine loans out that were concluded in January 2022 and are for a period longer than one year? Will the club be in breach of the regulations for being above the cap (eight loans out) even though these loans predate the entry into force of the new regulations?**

In accordance with article 10 paragraph 2 of the RSTP, loan agreements that are longer than one year and predate the entry into force of these regulations may continue until their contractual expiration. Therefore, in this scenario, Club X will not be in breach of the regulations.

However, if a club has more international loans than allowed under the cap because the loan agreements are longer than one year and predate the entry into force of these regulations, a club will not be able to loan out or loan in new players (depending on the case) until the club is under the cap.

**L. As there is a cap of eight international loans in/out, can a club loan out eight players to the same club?**

No, in addition to the cap of eight in and eight out, the new loan regulations explicitly state in article 10 paragraph 8 of the RSTP that a total of three loans in or out may be concluded between two specific clubs.

For example, Club X in England may not loan out more than three players to Club Y in France at any given time during a season.

It is important to highlight that these restrictions will apply irrespective of the players' age and whether the players are club-trained.

**M. Is there any exception or transition period concerning the limit on the international loan of players between specific clubs (“three-in three-out”)?**

There will be no transition period concerning the limit on the international loan of players between specific clubs, this will apply directly as from 1 July 2022.

## 4. Practical examples

### Practical example 1

Situation:

- Player A, born on 2 August 2001, has spent four seasons at Club X in France.
  - First spell: between the ages of 15 and 16
  - Second spell: between the ages of 19 and 20
- The season in France starts on 1 July and ends on 30 June of the following year.

Question:

- On 1 August 2022, Club X loans Player A out to Club Y in Spain. They already have eight players out on international loan and wonder if they can loan out Player A?

Answer:

The loan will be permitted and is exempt from the general limitations since Player A is under 21 and club-trained.

- What matters is that Player A is club-trained **and** that the loan occurred before the end of the season of the former club in which the professional turns 21 (season 2022/2023).



## Practical example 2

### Situation:

- Club X in France has four professional players who are under 21 and qualify as club-trained players. Club X thinks that it would be best for the development of these players if all of them went out on loan at the same time and to the same club.
- Club Y in Spain agrees to take these four players on loan from 1 August 2022 to 30 July 2024.

### Question:

- Club X states that there should be no problem since all four players are under 21 and are club-trained players. As such, it does not have to worry about the cap. Are there any potential issues?

### Answer:

There are two issues.

- Irrespective of age or club-trained status, a club may only have a maximum of three professionals loaned out to the same club at any given time during a season.
- A loan agreement may be concluded for a minimum duration of the time between two registration periods and a maximum duration of one year.

## Practical example 3

### Situation:

- On 1 August 2022, Club X in France already has eight players out on international loans. Club X decides it would like to loan out another five of its players to other clubs in France (domestic loans).

### Question:

- Club X wonders if they would have any issue with the five domestic loans, and if the same FIFA rules apply at national level for domestic loans.

### Answer:

FIFA rules only regulate international loans. Associations are given three years from 1 July 2022 to implement a domestic loan system in line with the principle of ensuring the integrity of competitions, developing young players and preventing the hoarding of players. These rules must be agreed with domestic football stakeholders (for the avoidance of doubt, the limit on the number of loans at national level may differ from those at international level).